



SwissLife

Half-year results 2007 Investors' Presentation

Zurich, 4 September 2007

Agenda



1. Overview

Rolf Dörig

2. Financial results

Thomas Müller

3. Outlook

Rolf Dörig

Highlights

- **Operating result significantly improved**
 - due to good growth, increased efficiency and solid investment result
- **Solid investment result**
 - due to hedge fund pay-outs, better diversification and without increasing overall risk
- **Embedded value significantly increased**
 - due to favourable interest rate environment
- **2008 net profit target of CHF 1 bn expected to be achieved in 2007**
 - continued stringent implementation of strategy

Results improving steadily



Net profit



CHF 635 million

+21%

Profit from operations



CHF 884 million

+34%

Return on equity (annualised)



17.3%

+ 3 ppts

Embedded value



CHF 12.5 billion

+17%

Value of new business



CHF 83 million

+6%

Strong business performance

- **International:** Good premium growth, well above market
 - Integration of CapitalLeben on track
 - Several unit-linked and structured products launched
- **Switzerland:** Improved margins and efficiency
 - Significant premium growth, well above market
 - Cost reductions continued and key initiatives on track
- **Investment Management/ALM:** Solid investment result
 - Benefiting from increased diversification within risk limits
 - Successful ALM and duration management in rising yield environment
- **Banca del Gottardo:** Increasing profit contribution and ROE of 19%
 - Strategy implementation on track, adhering to 2008 targets
 - Net new money development actively managed

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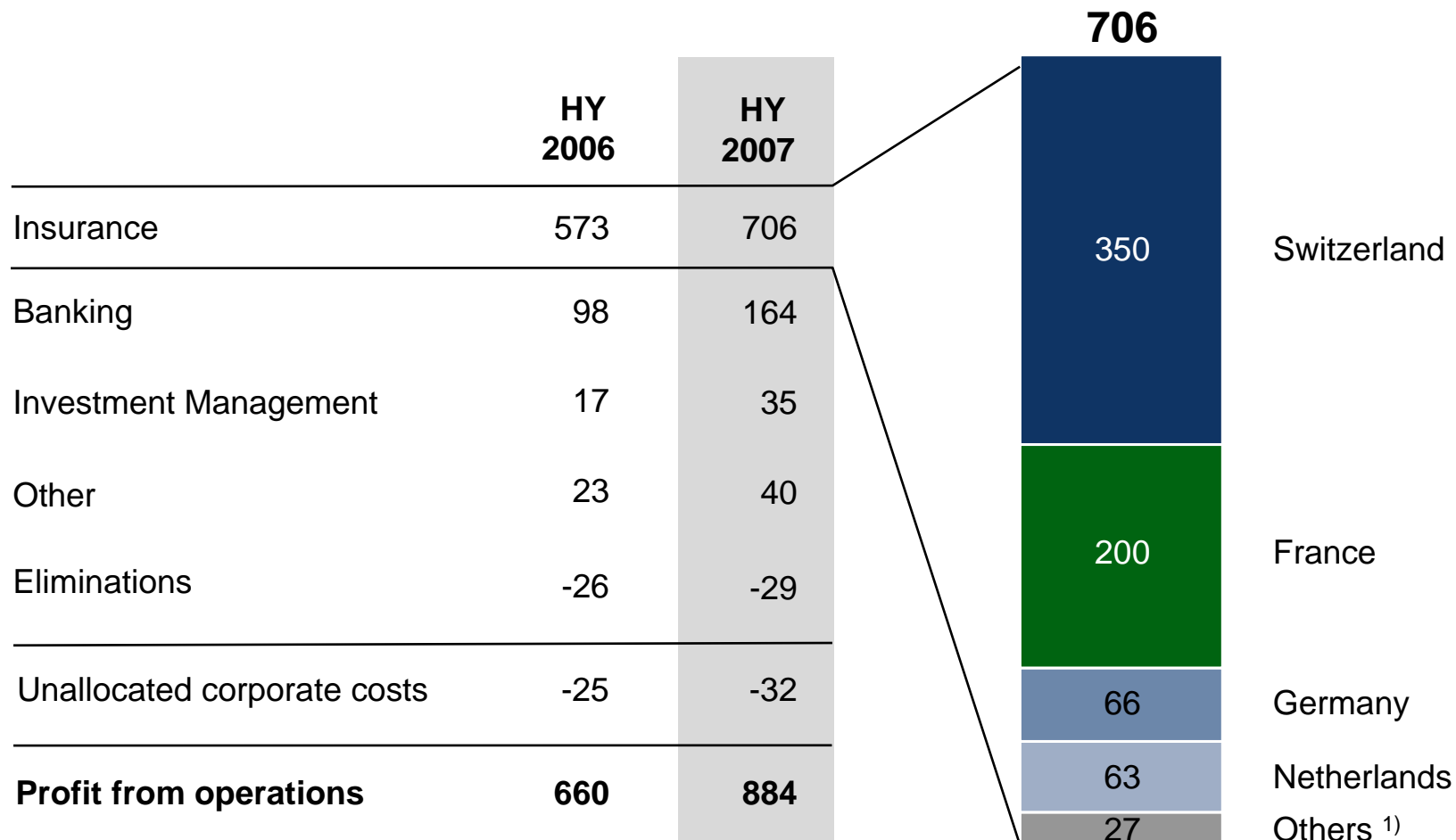
Net profit increased 21% to CHF 635 million

CHF million (IFRS basis)

	HY 2007	HY 2006
Gross written premiums, fees and deposits received	13 950	12 693
Financial result for own risk	4 219	2 958
Net insurance benefits and claims	-9 550	-8 783
Policyholder participation	-1 712	-869
Operating expense	-1 688	-1 474
Profit from operations	884	660
Borrowing costs	-145	-80
Taxes and results of associates	-104	-57
Net profit	635	523
Earnings per share (in CHF) ¹⁾	17.72	14.72
Return on equity (ROE) annualised	17.3%	14.3%

Profit contribution increased in all segments

Segment results; CHF million (IFRS basis)



1) Comprises Belgium, Luxembourg, Liechtenstein, and Eliminations

Efficiency initiatives in Switzerland show effect



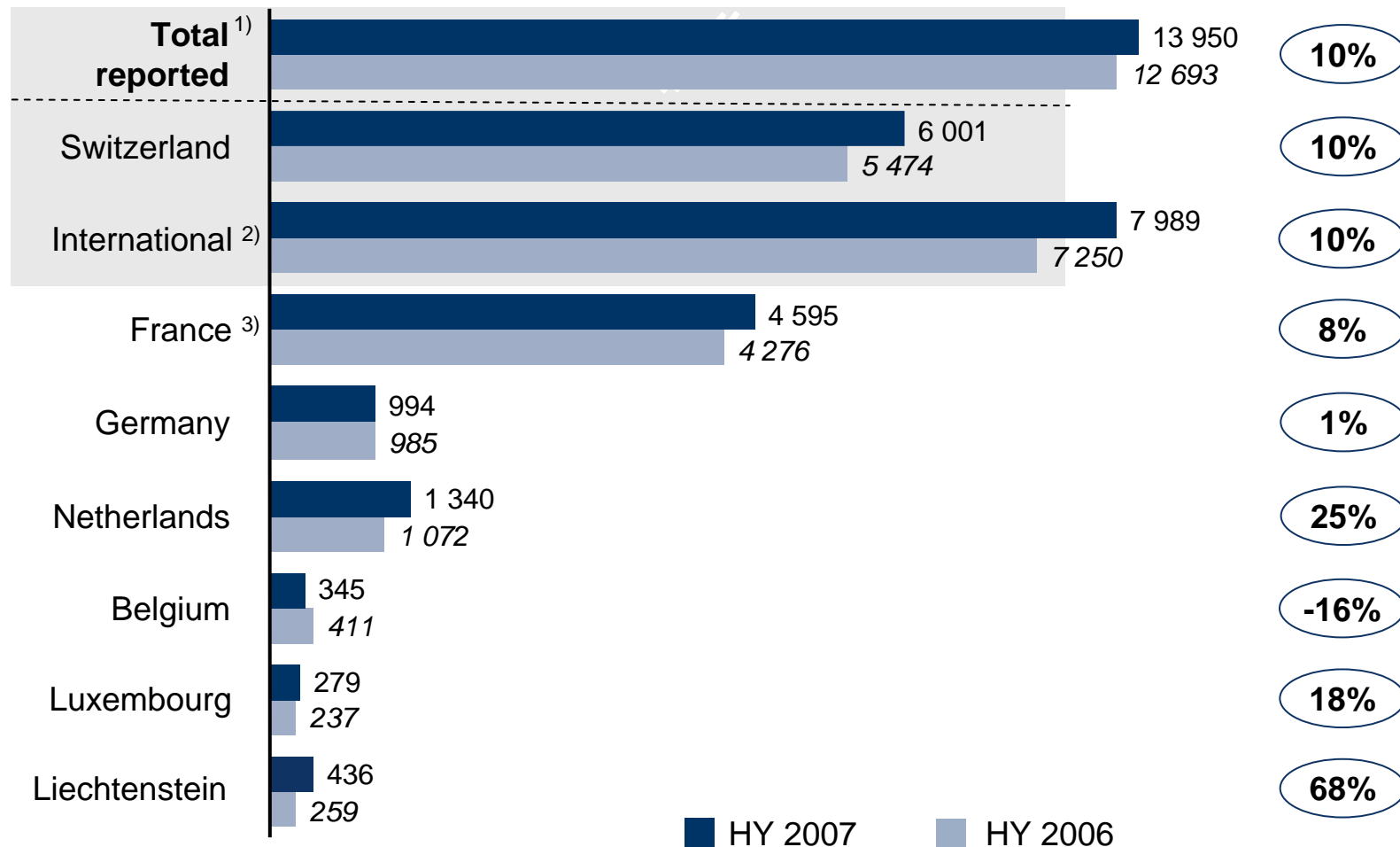
CHF million (IFRS basis)

	HY 2007	HY 2006	Change
Total operating expense	1 688	1 474	14.5%
Commissions and DAC amortisation	-651	-465	
Goodwill, PVP and intangible assets impairment	0	-1	
Restructuring costs	-25	-40	
Divestments ¹⁾		-5	
CapitalLeben	-4		
Currency effects		21	
Operating expense (adjusted)	1 008	984	2.4%
- of which insurance International	489	456	7.2%
- of which insurance Switzerland	268	284	-5.6%

1) Divestment of SL Italy in 2006

Good growth in Switzerland as well as in international markets

GWP & PHD; CHF million (IFRS basis)



1) Includes Italy in 2006 and Eliminations of CHF -21 million and in 2007 Eliminations of CHF -40 million

2) Includes in 2006 CHF 10 m premiums from Italy

3) Of which ERISA CHF 1 880 million for HY 2007 and CHF 1 758 million for HY 2006

Solid financial result

CHF million (IFRS basis)

	HY 2007	HY 2006
Gross written premiums, fees and deposits received	13 950	12 693
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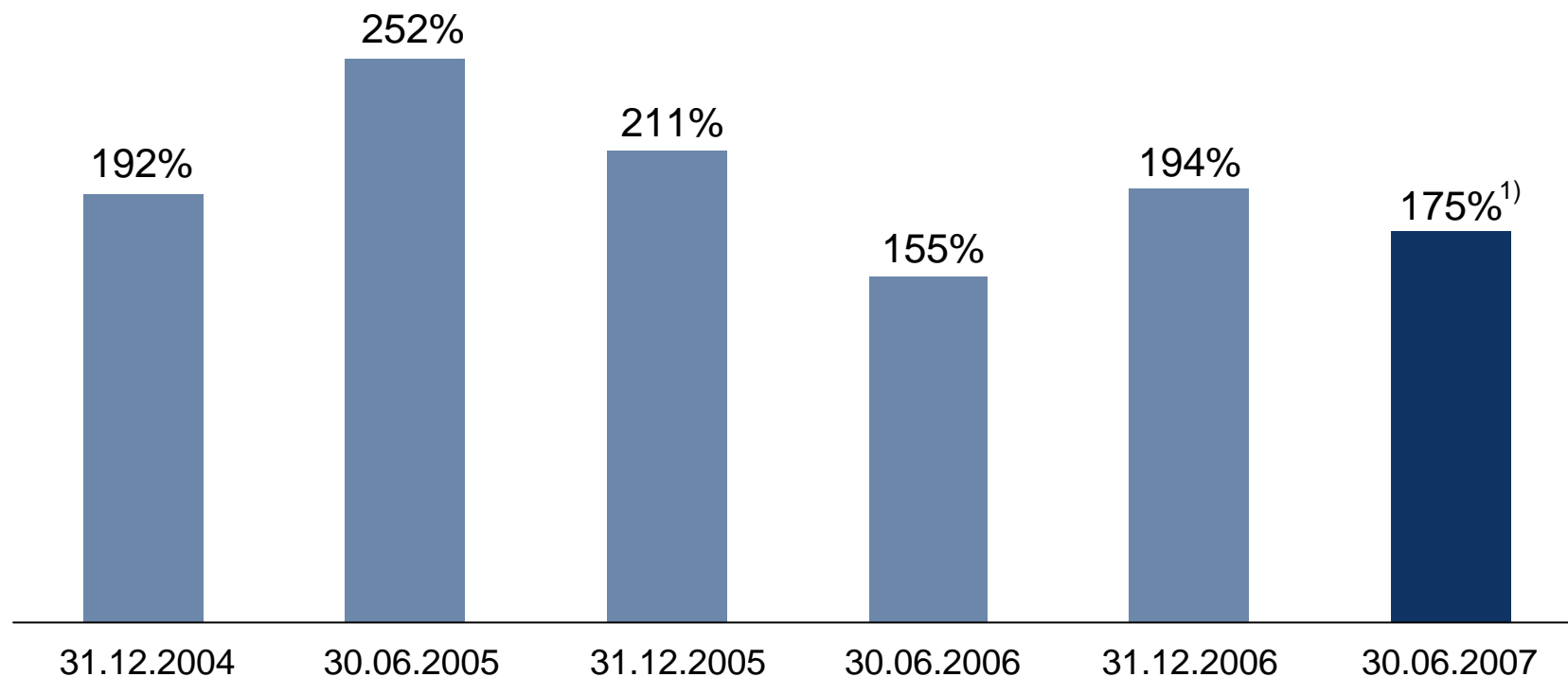
Shareholders' equity developed as expected

CHF million (IFRS basis)

	30.06.2007	31.12.2006
Insurance reserves	143 485	153 800
Insurance liabilities	112 411	109 456
Investment contracts	12 873	30 077
Financial liabilities FVPL (unit-linked)	12 997	7 175
Policyholder participation liabilities	5 204	7 092
Borrowings	7 893	6 139
Shareholders' equity	7 195	7 579
Total liabilities and equity	201 726	186 950
Core capital	12 595	14 761
Equity	7 484	7 851
Hybrid capital instruments	2 937	1 739
Deferred Group-related funds	2 174	5 171

Group solvency on a solid basis

Based on IFRS equity, according to methodology applied by Swiss regulator

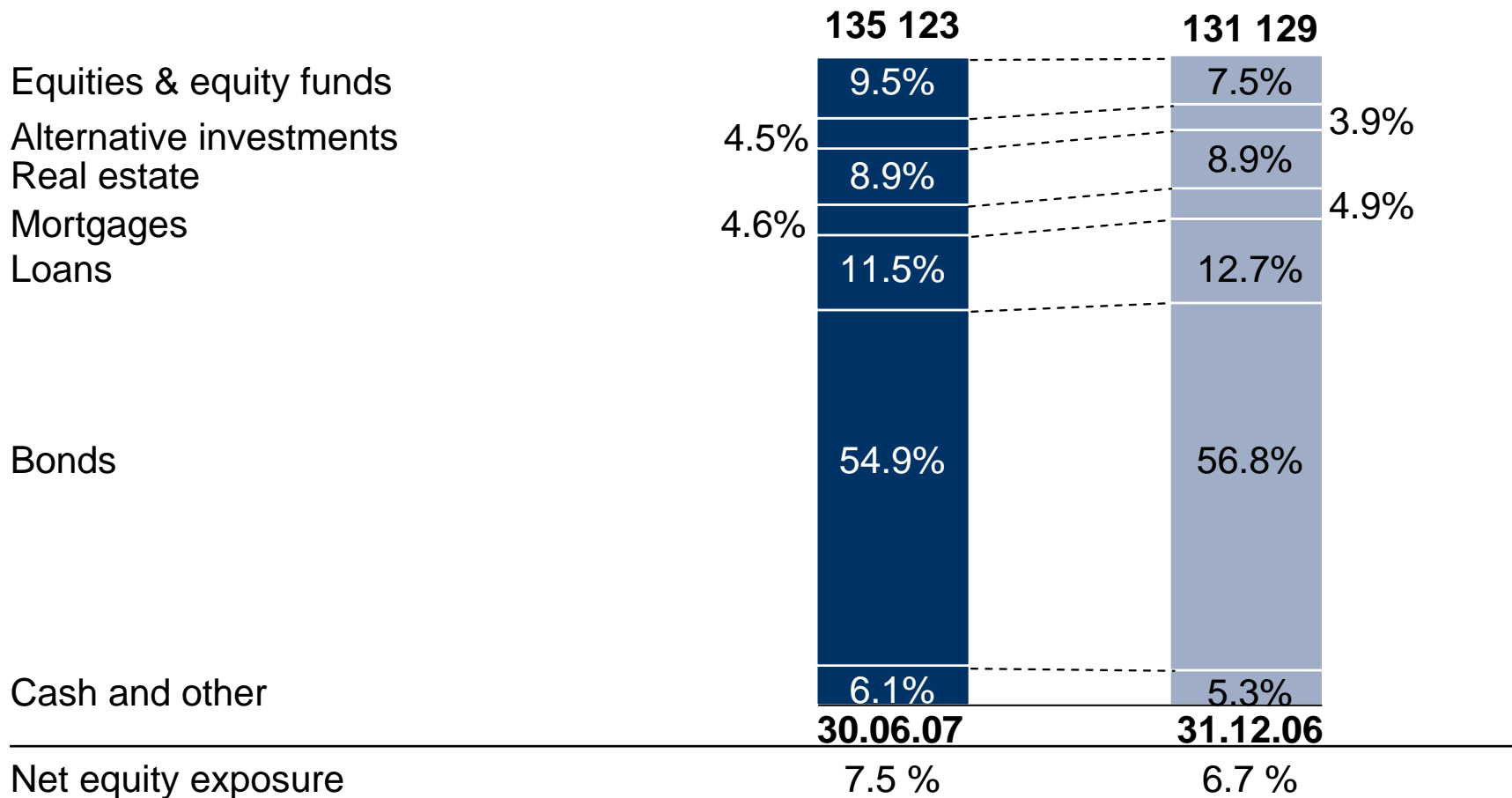


1) According to the adjusted FOPI practice

Improved diversification within insurance portfolio



CHF million (IFRS basis), excluding ERISA



Total exposure of Swiss Life Group to US subprime mortgages: CHF 140 million; thereof CHF 35 million through Alternative investments, mainly indirect Hedge Fund Fund-of-Funds

Solid investment result on insurance portfolio



CHF million (IFRS basis) – insurance portfolio own risk; yields not annualised; excl. ERISA

	HY 2007	HY 2006	Change
Direct investment income	2 732	2 288	19%
Expense	-110	-78	41%
Net capital gains on investments and impairments	586	222	164%
Net investment result	3 208	2 432	32%
Net investment return in % ¹⁾	2.4%	1.9%	
Changes in net unrealised gains/losses on investments	-3 231	-3 589	
Total investment result	-23	-1 157	
Total investment return in % ¹⁾	0.0%	-0.9%	
Average net investments	133 126	128 070	4%

1) Of average net investments

Embedded value increased by 17%

CHF million (statutory basis)

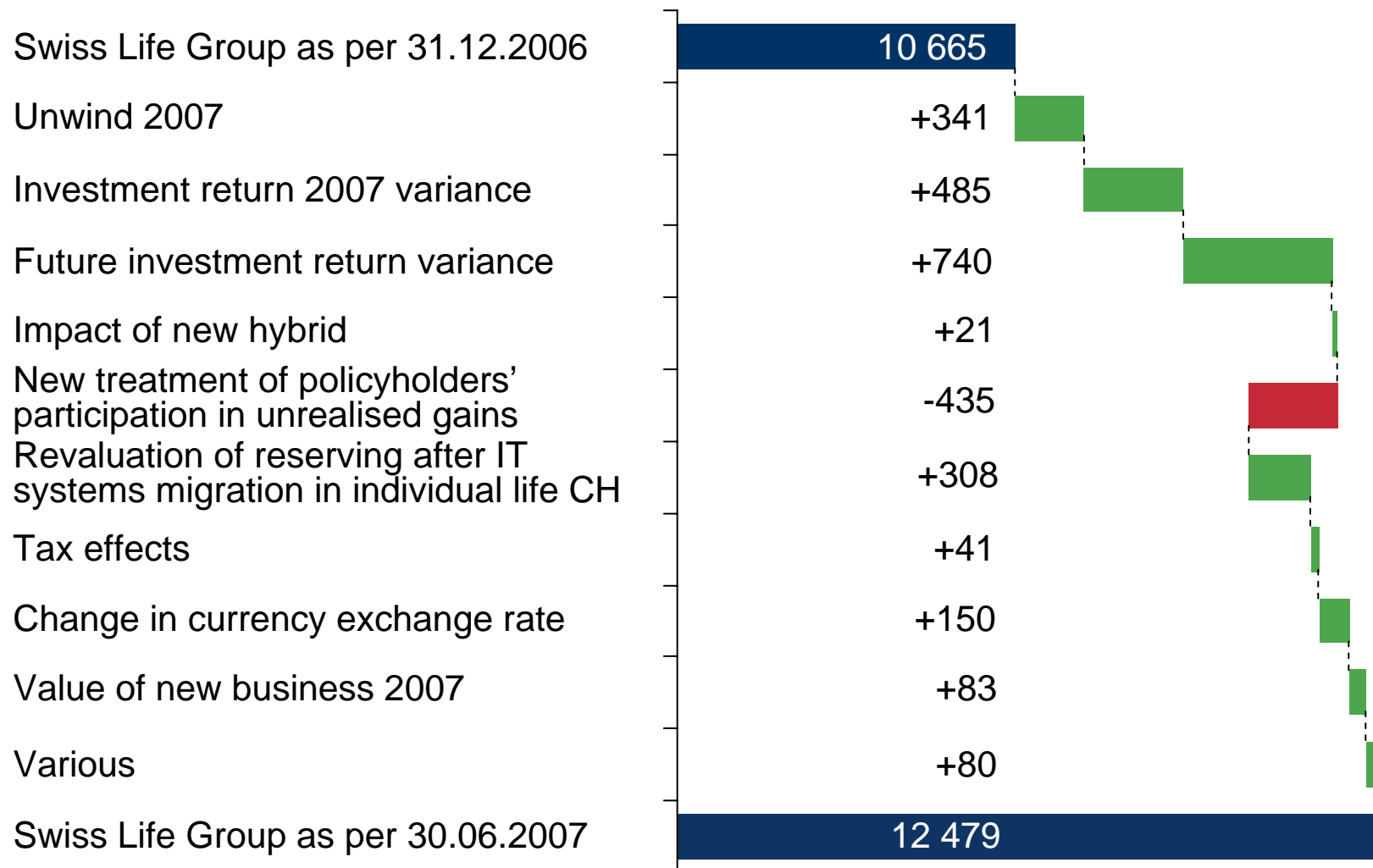
	30.06.2007	31.12.2006	Change	RoEV ¹⁾
Embedded value Switzerland	4 828	4 053	+19%	+22%
Embedded value International	5 154	4 502	+14%	+15%
ANAV Swiss Life Holding	2 497	2 110		
Swiss Life Group	12 479	10 665	+17%	+17%
of which ANAV	7 290	6 793		
PVFP	6 012	4 922		
Cost of holding capital	-823	-1 050		
Embedded value per share ²⁾	366	316		

1) Net of intra-Group transfers

2) Based on 33.8 million shares on 31.12.06 and on 34.1 million shares on 30.06.07

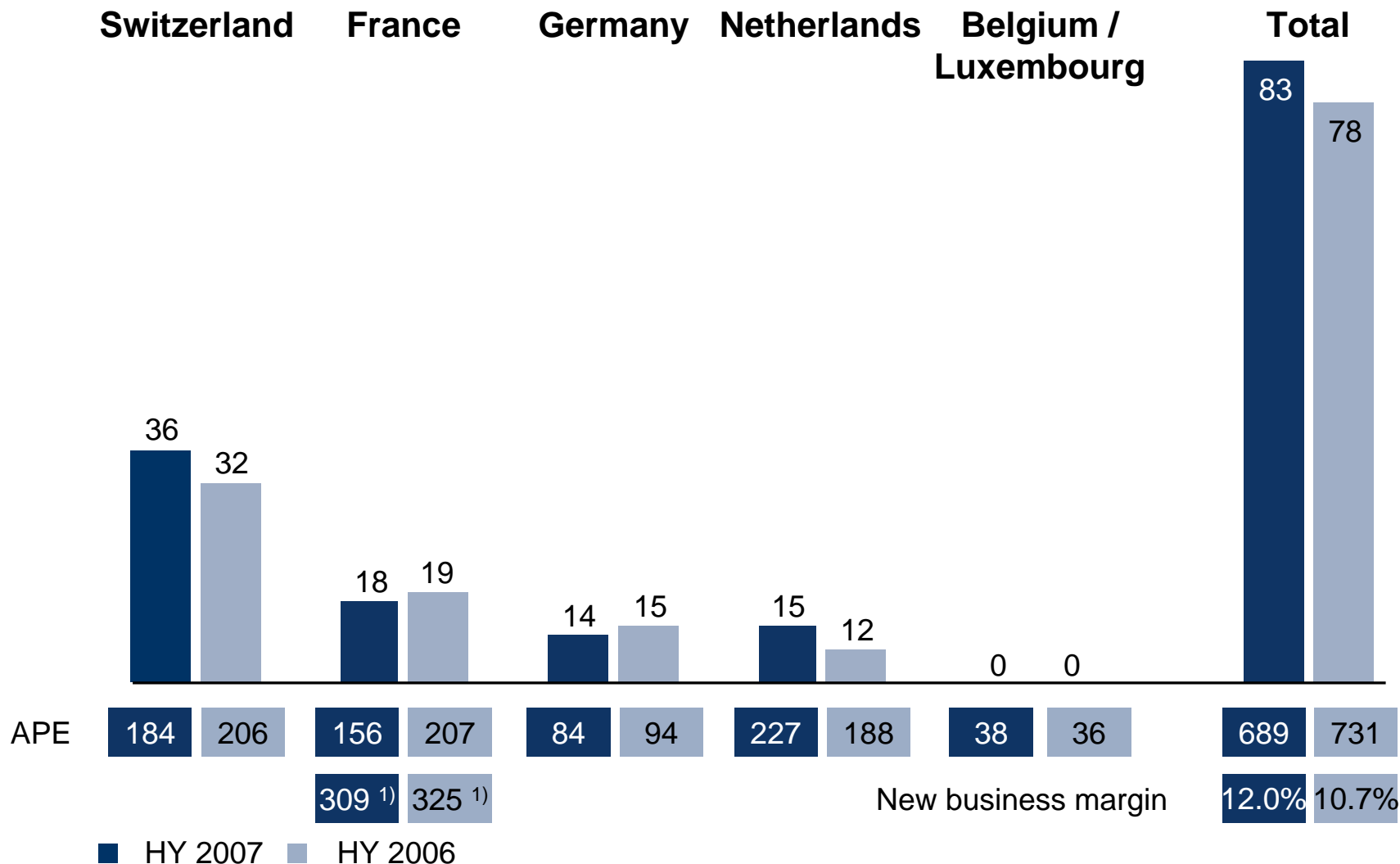
Embedded value – analysis of change

CHF million (statutory basis)



Value of new business increased by 6%

CHF million (statutory basis)



1) Non consolidated APE, reflecting development of sales in France

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Rolf Dörig

Priorities

- **International:**
 - Push fast-growing distribution channels (private banks, brokers)
 - Focus on strict cost management
- **Switzerland:**
 - Continue growth in group business, maintain margins in individual life
 - Complete efficiency projects in group and individual life
- **Investment Management/ALM:**
 - Further optimise risk diversification of insurance investments
 - Improve asset management structure and processes
- **Banca del Gottardo:**
 - Focus on profitable growth and achieving 2008 targets

Outlook 2007



CHF 1 bn net profit expected to be achieved already in 2007



**Update on group strategy and targets on Investors' Day
4 December 2007**



SwissLife

Half-year results 2007
Investors' Presentation
Supplementary information

Supplementary information



1. Profit and loss

2. Balance sheet

3. Embedded value

4. Banca del Gottardo

5. Contact details

Switzerland: Life insurance premiums

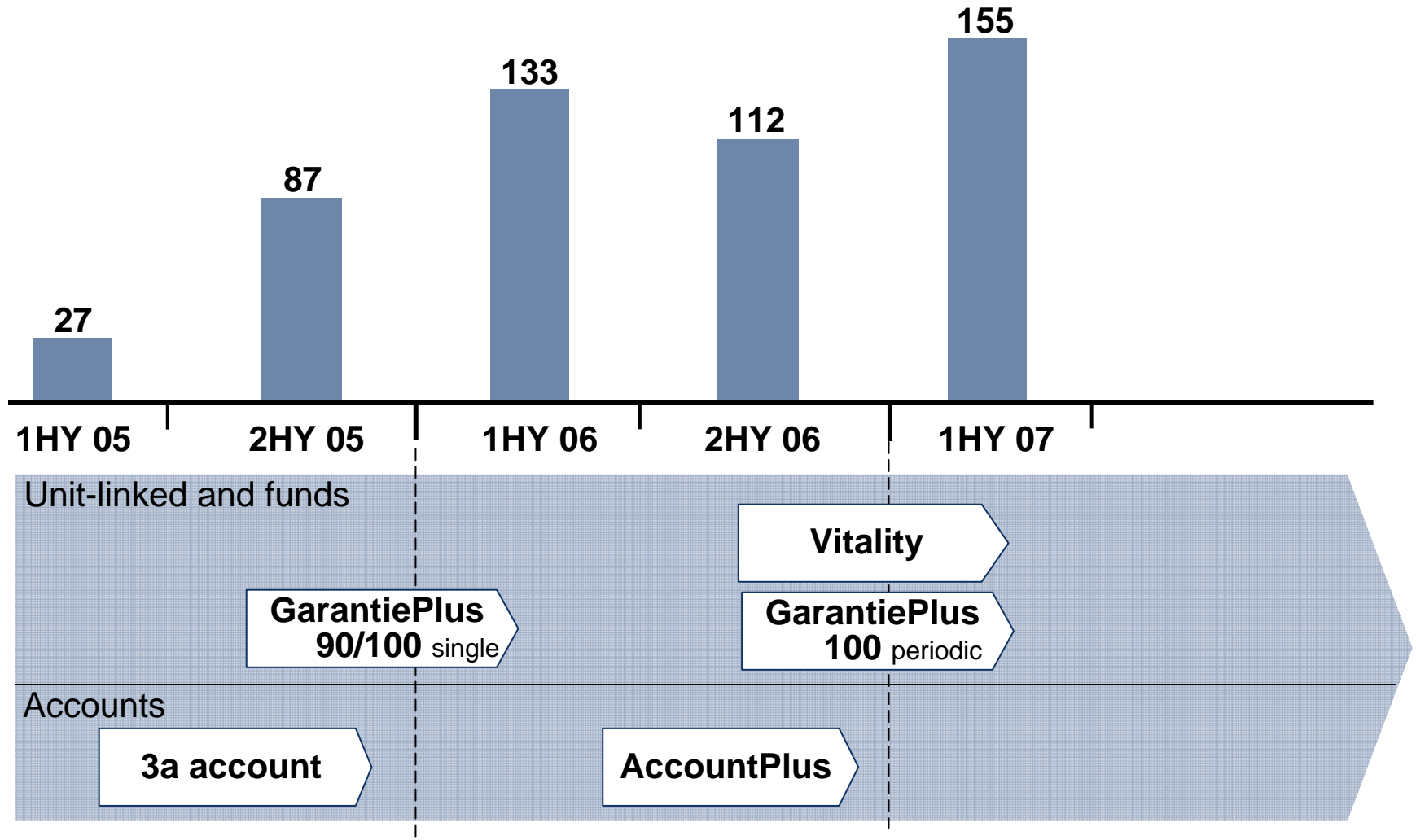


CHF million (IFRS basis)

	HY 2007	HY 2006	Change
Total life GWP incl. PHD	6 001	5 474	+10%
Single premiums	2 633	2 223	+18%
Periodic premiums	3 322	3 199	+4%
Reinsurance premiums assumed	46	51	-10%
Group life	5 148	4 600	+12%
Single premiums	2 332	1 909	+22%
Periodic premiums	2 816	2 690	+5%
Individual life	808	823	-2%
Single premiums	301	314	-4%
Periodic premiums	507	509	-0%

Performance-oriented products in Switzerland

New business gross volume (unit-linked and funds); CHF million



ERISA treatment in 2007



- All relevant assets and liabilities of ERISA have been transferred into the category “assets held for sale and associated liabilities”
- Swiss Life’s CHF 19 million share of the net profit of CHF 38 million has been deferred under the position “other income”
- The gain generated by the transaction, including the reversal of the CHF 19 million, will be accounted for in the 2007 year-end statements

ERISA key financials

CHF million (IFRS basis)	HY 2007	HY 2006
Gross written premiums, fees and deposits received	1 880	1 758
Total Income	733	490
Total Expenses	-670	-448
Segment result	63	42
Netting out ERISA's result in other income	-19	-
Net contribution of ERISA to Segment result	44	42
Net profit	38	22
Netting out ERISA's result	-19	-
Net contribution of ERISA in Group/France results	19	22
Minority interests	-19	-11
Net profit attributable to Swiss Life share holders	0	11
CHF million (statutory basis)		
Value of New Business	3	3
Consolidated APE	28	39
Non consolidated APE	64	64

Supplementary information



1. Profit and loss

2. Balance sheet

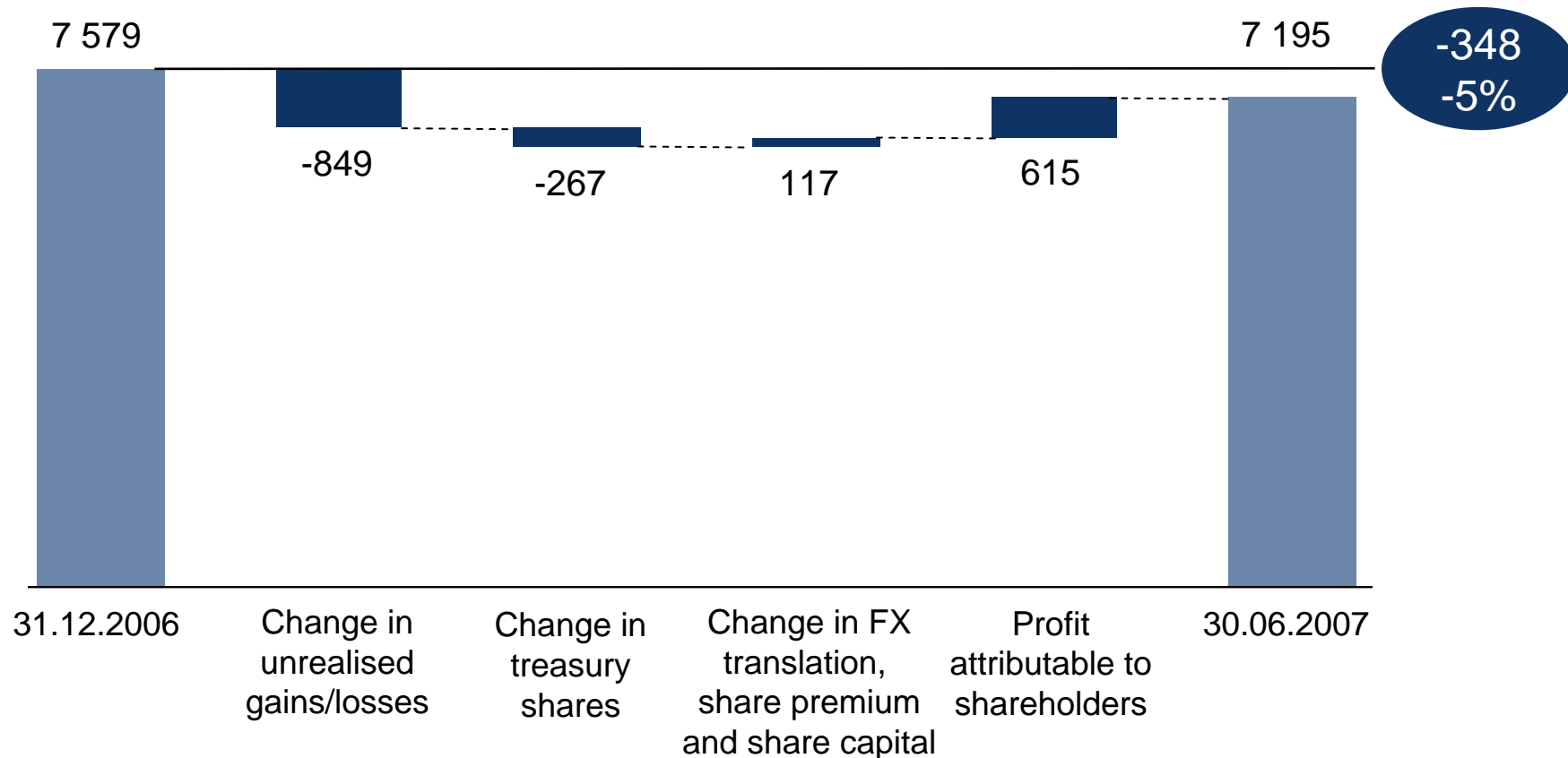
3. Embedded value

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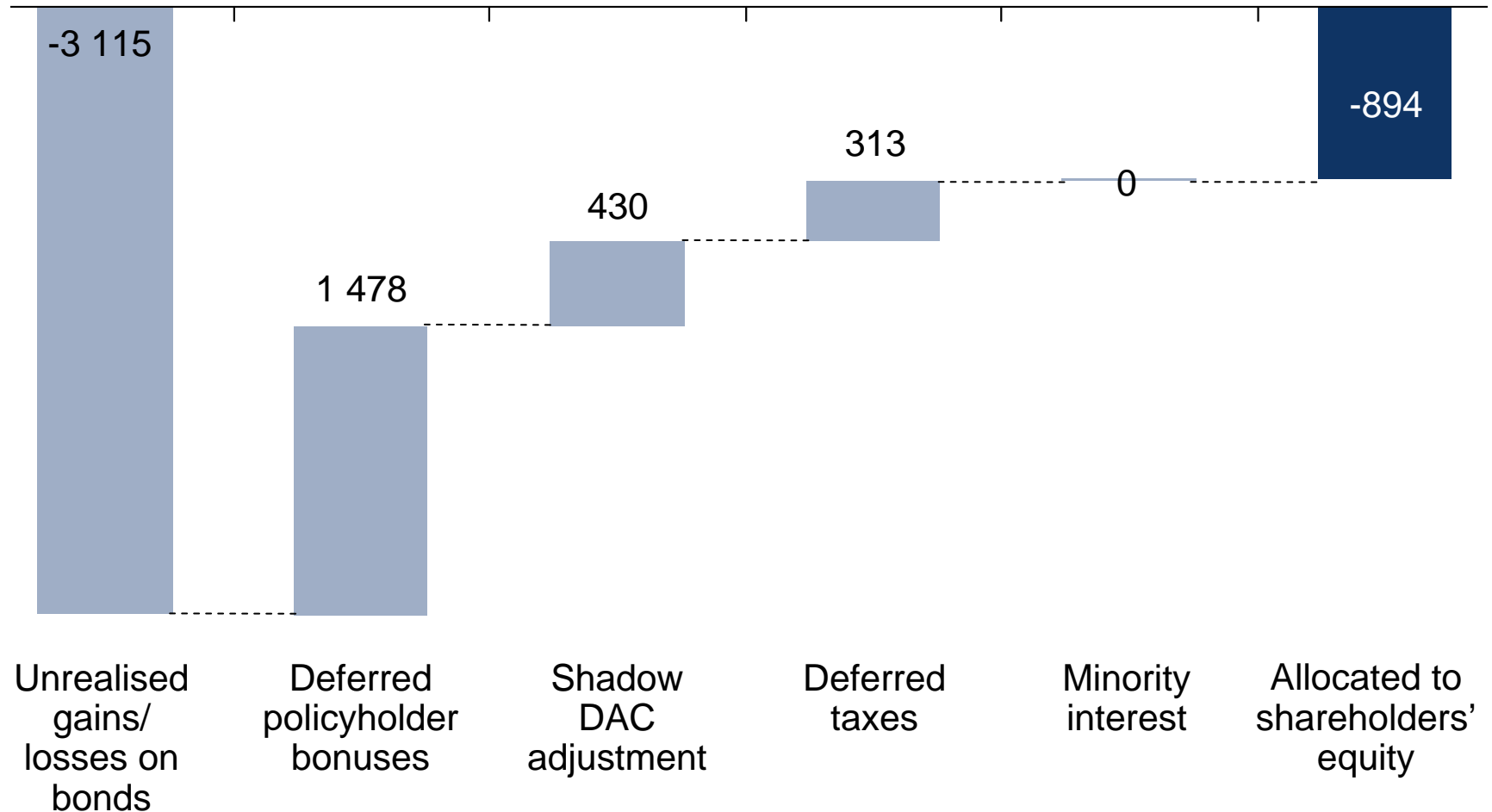
Development of shareholders' equity

CHF million (IFRS basis)



Allocation of unrealised gains/losses on bonds

CHF million (IFRS basis)



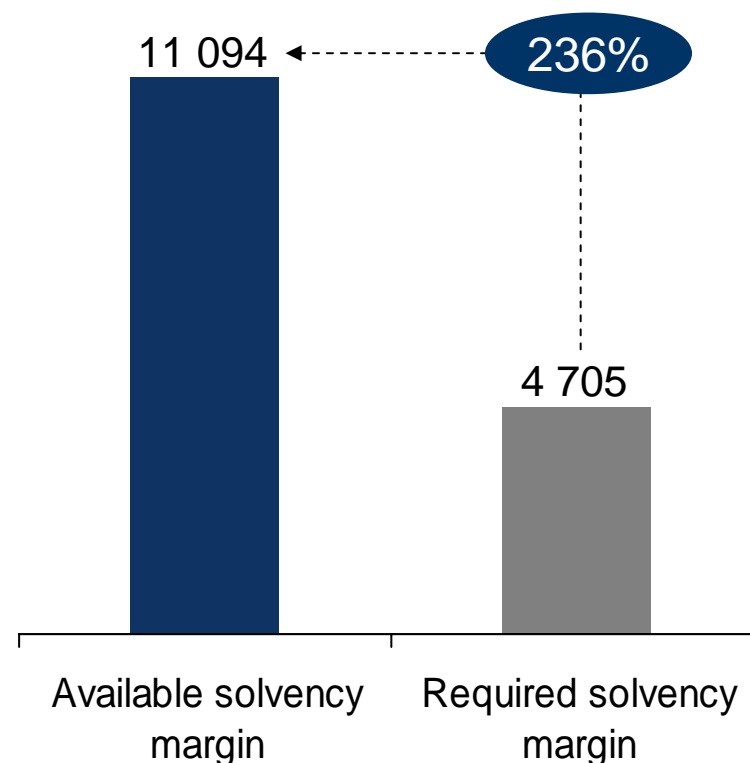
Statutory solvency at 236%

CHF million (statutory basis)

Available solvency margin

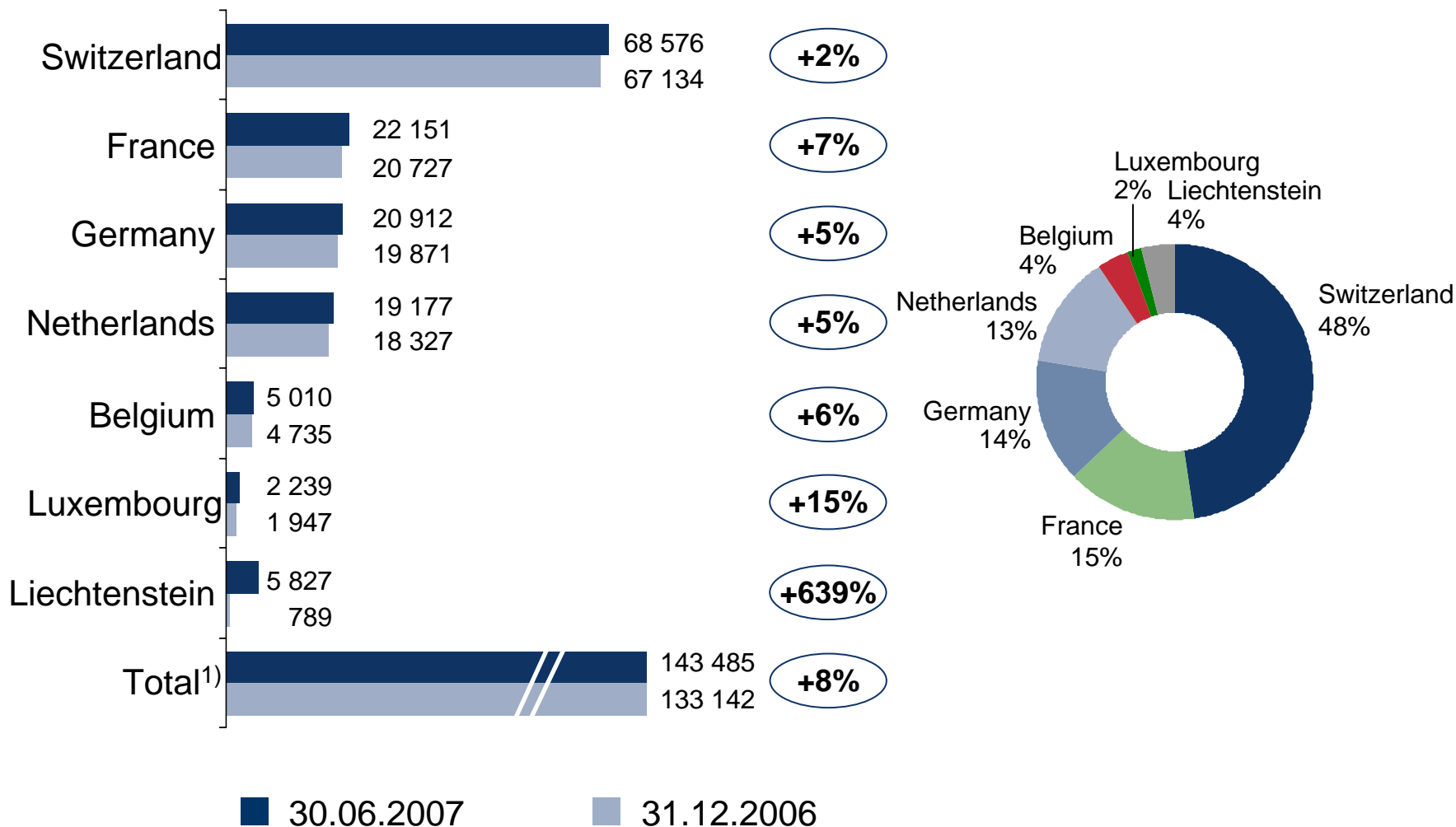
Parent company statutory equity	3 519
Intangibles	-13
Hybrid capital	2 352
Fund for future appropriation	398
Additional Zillmerisation	495
Unrealised capital gains	3 245
Unattributed surplus	1 098
Available solvency margin	11 094

Statutory solvency



Insurance reserves by country

CHF million (IFRS basis) - comparable basis²⁾, excluding ERISA



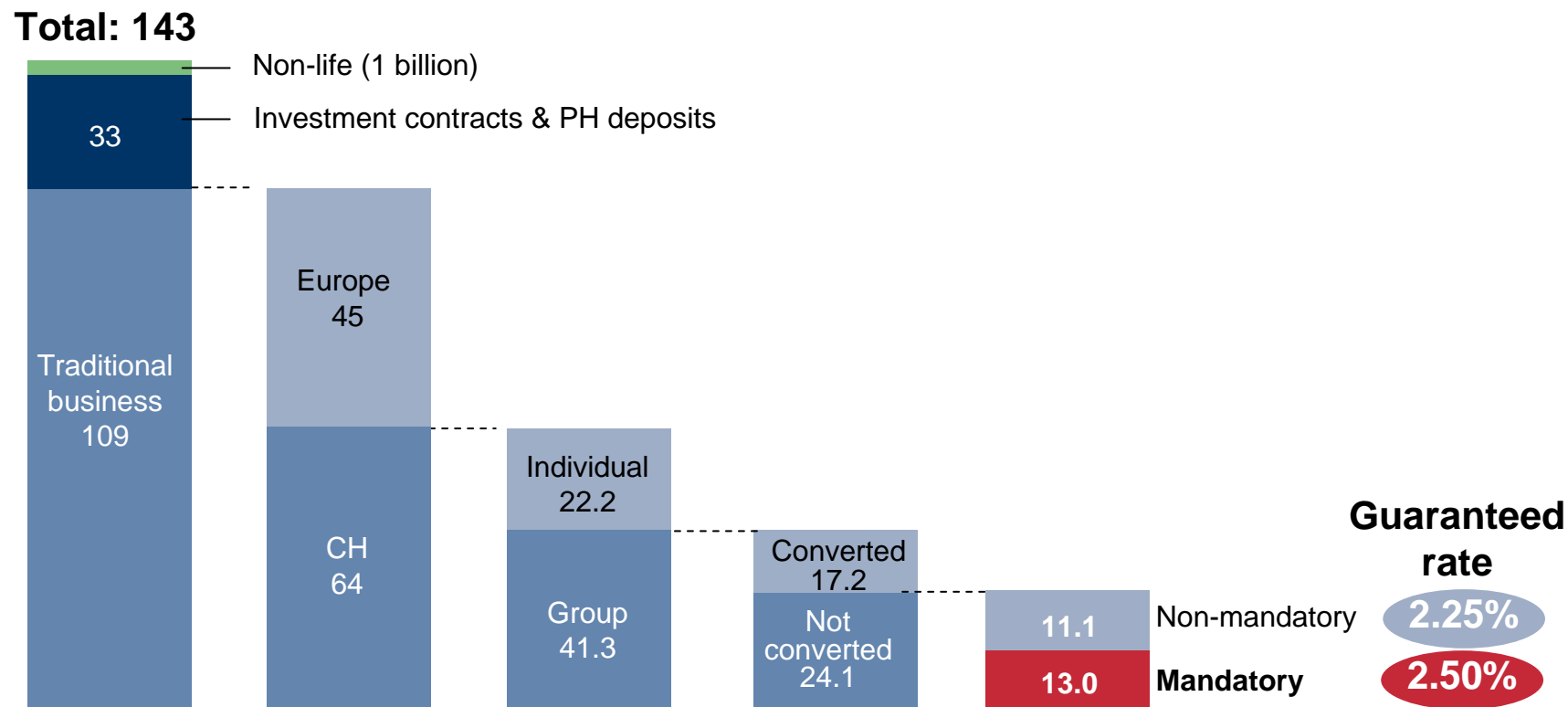
1) Includes Other (Italy in 2006) and intersegment eliminations: in 2006 CHF -388 million; in 2007 CHF -407 million

2) Method change: also includes financial liabilities at fair value through P&L (unit-linked contracts)

9% of Swiss Life Group reserves subject to BVG minimum interest rates



Breakdown of insurance reserves (incl. unit linked) as per 30.06.2007;
CHF billion (IFRS basis)



Average technical interest rate of 3.02%

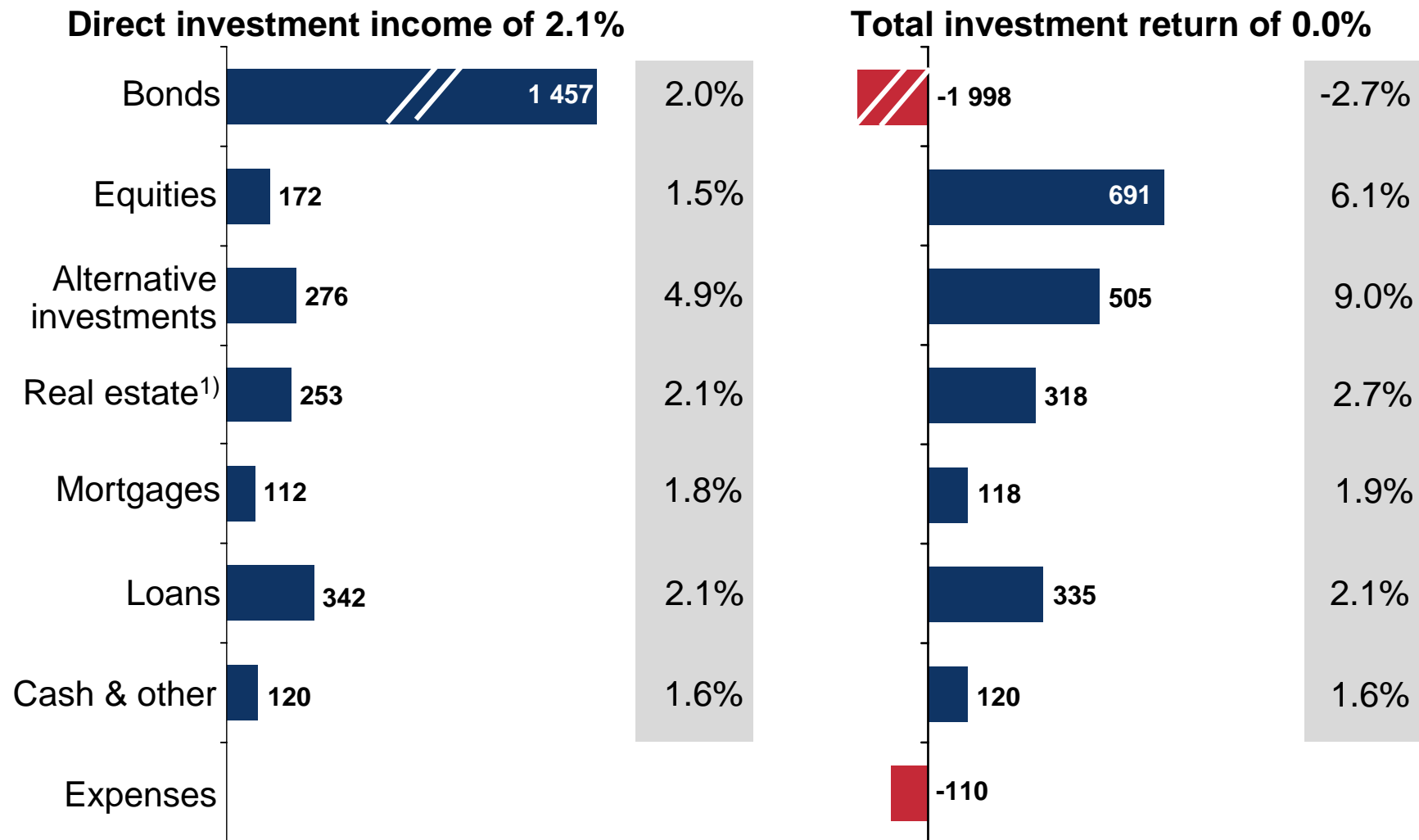
CHF / EUR / USD / GBP million (statutory basis), without ERISA

	CHF	EUR	USD	GBP
Total reserves	64 995	30 467	470	8
Mean technical interest rate	2.75%	3.35%	4.09%	3.67%

Overall: **3.02%** (FY 2006 without ERISA: 3.04%)

Investment return on insurance portfolio

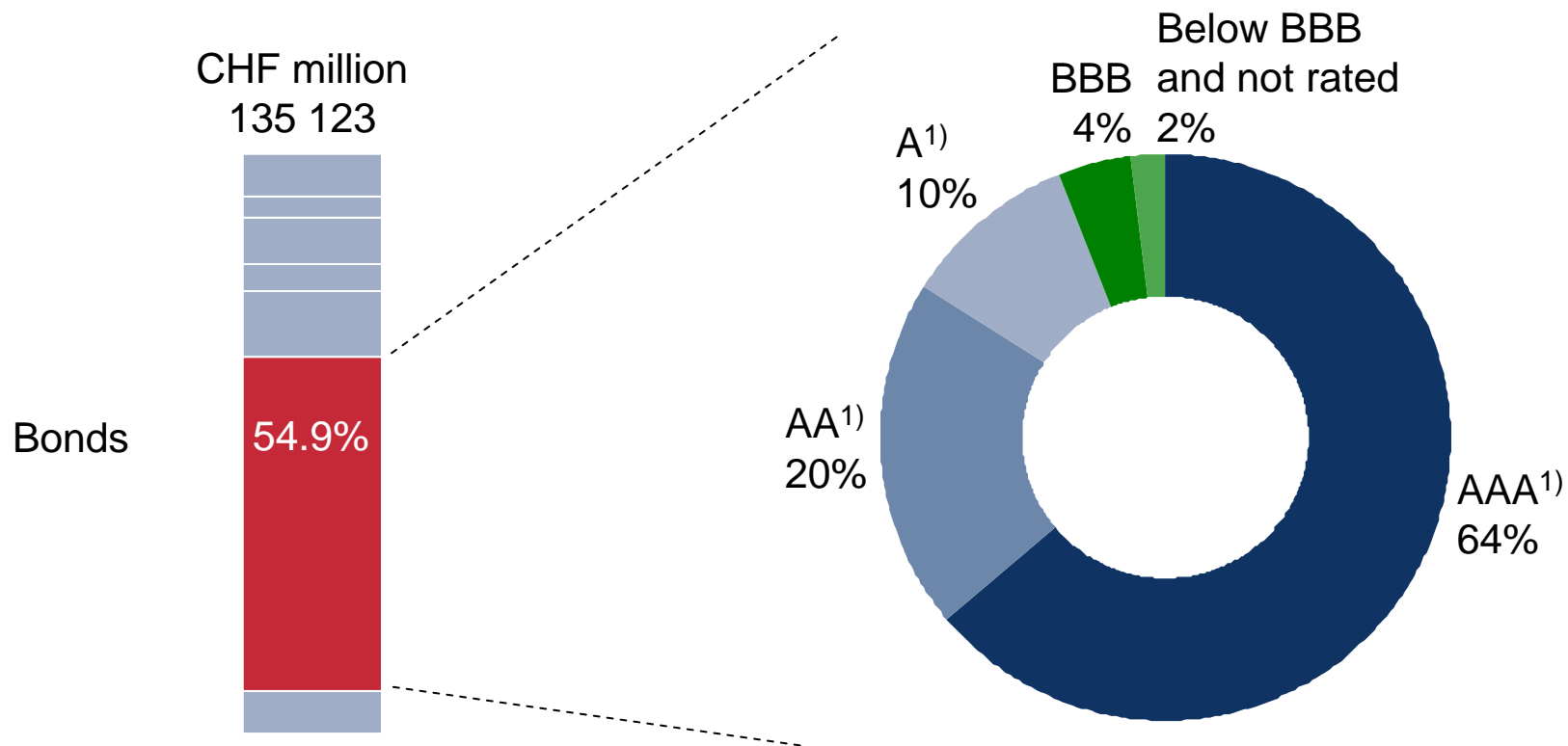
CHF million (IFRS basis) – insurance portfolio own risk; yields not annualised; excl. ERISA



1) Direct return and total return include operating expense on investment property of CHF 81 million

Bond portfolio: Ratings

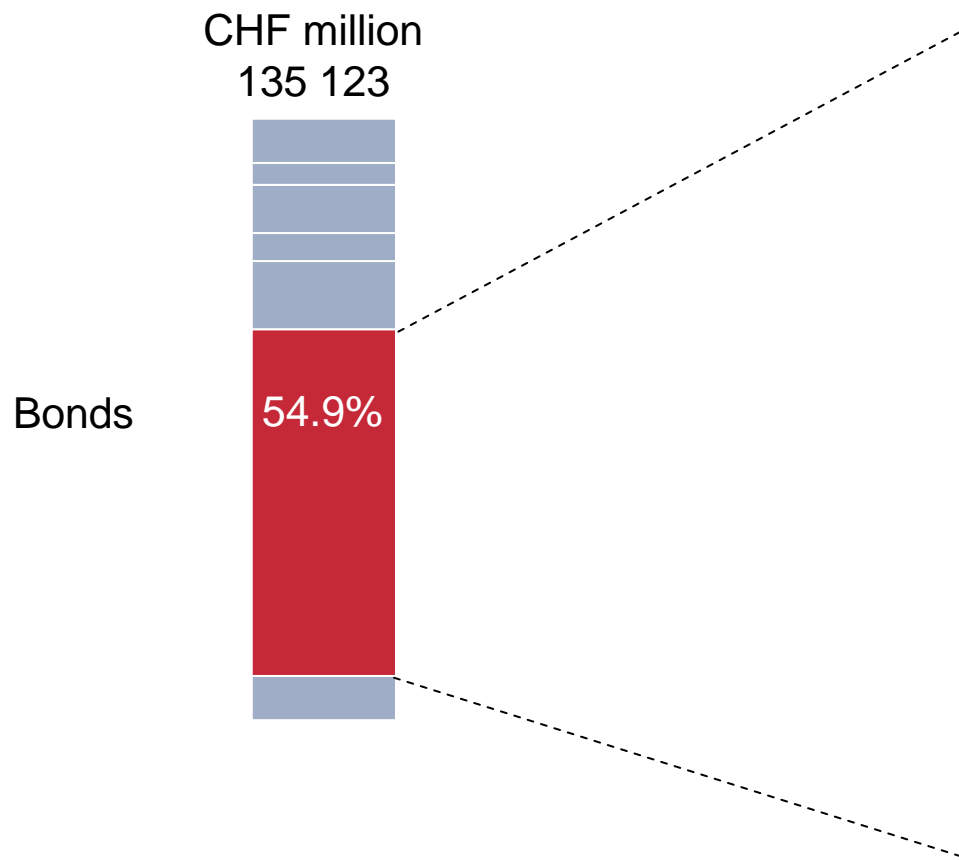
Insurance portfolio (IFRS basis), excl. ERISA



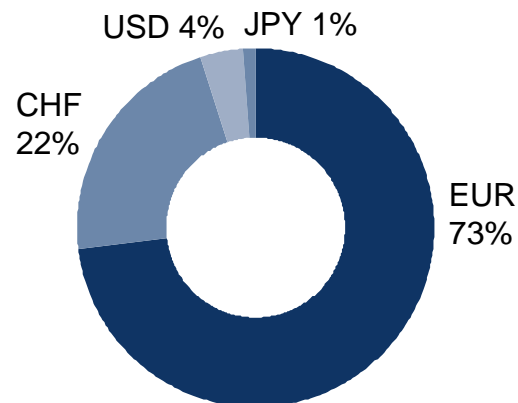
1) Including 52% government bonds in aggregate

Bond portfolio: Currency exposure

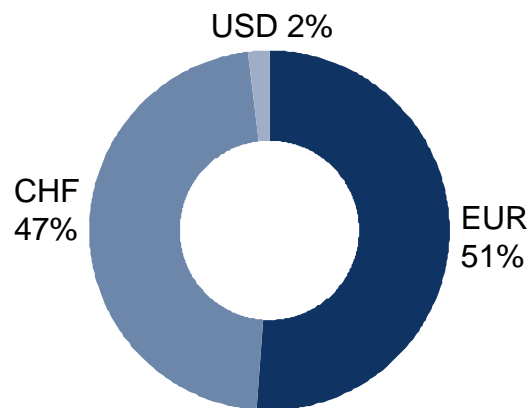
Insurance portfolio (IFRS basis), excl. ERISA



Before hedges



After hedges



Bond portfolio: Duration incl. interest rate hedges

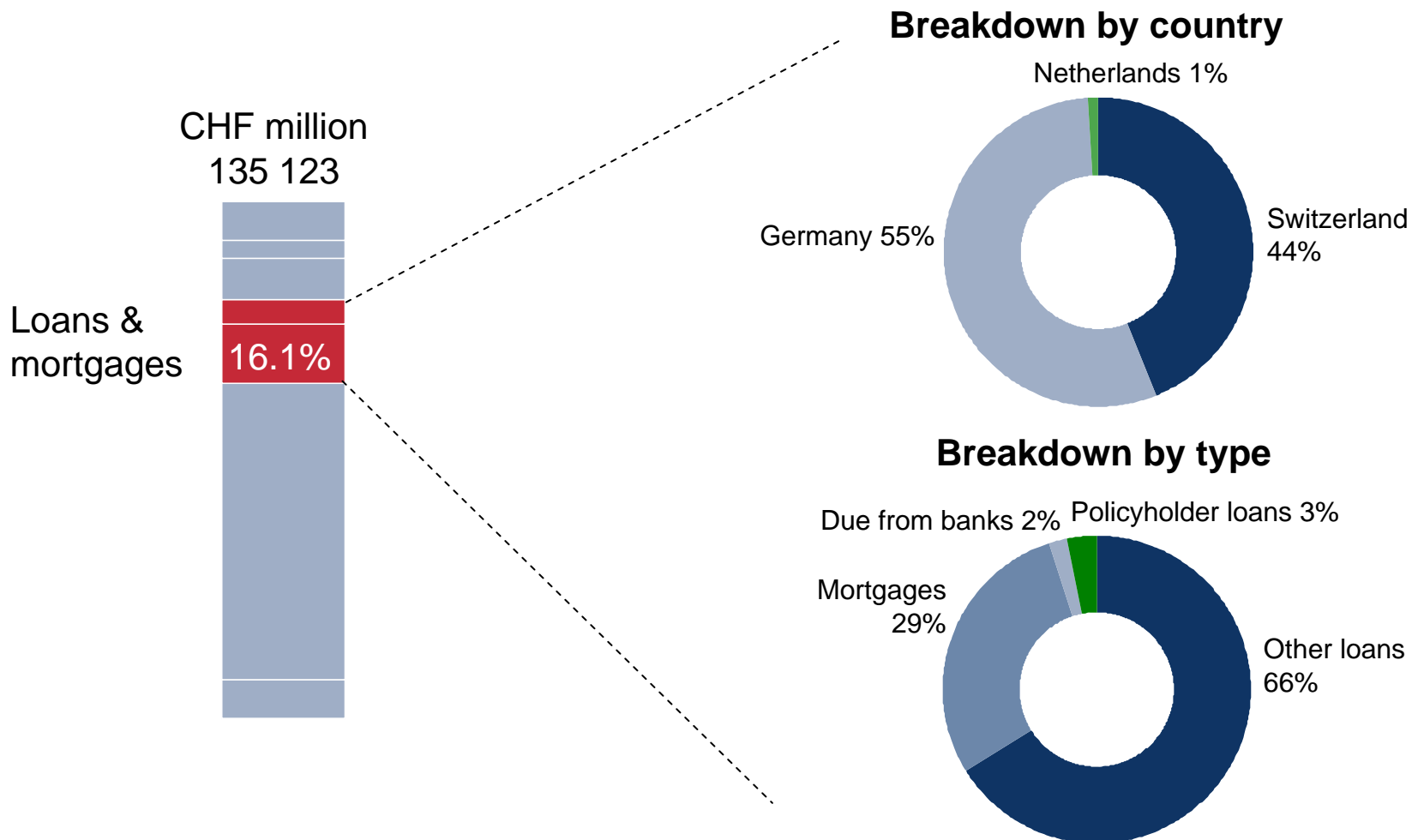
Effective duration parent company (Stammhaus); years

	30.06.2007	31.12.2006	30.06.2006
CHF	8.8	8.7	7.2
EUR	9.4	8.5	4.8
GBP	4.6	2.4	5.1
USD	7.9	6.4	2.9
JPY	20.2	— ¹⁾	— ¹⁾
Average	9.3	8.4	5.4

1) No significant investments in previous periods

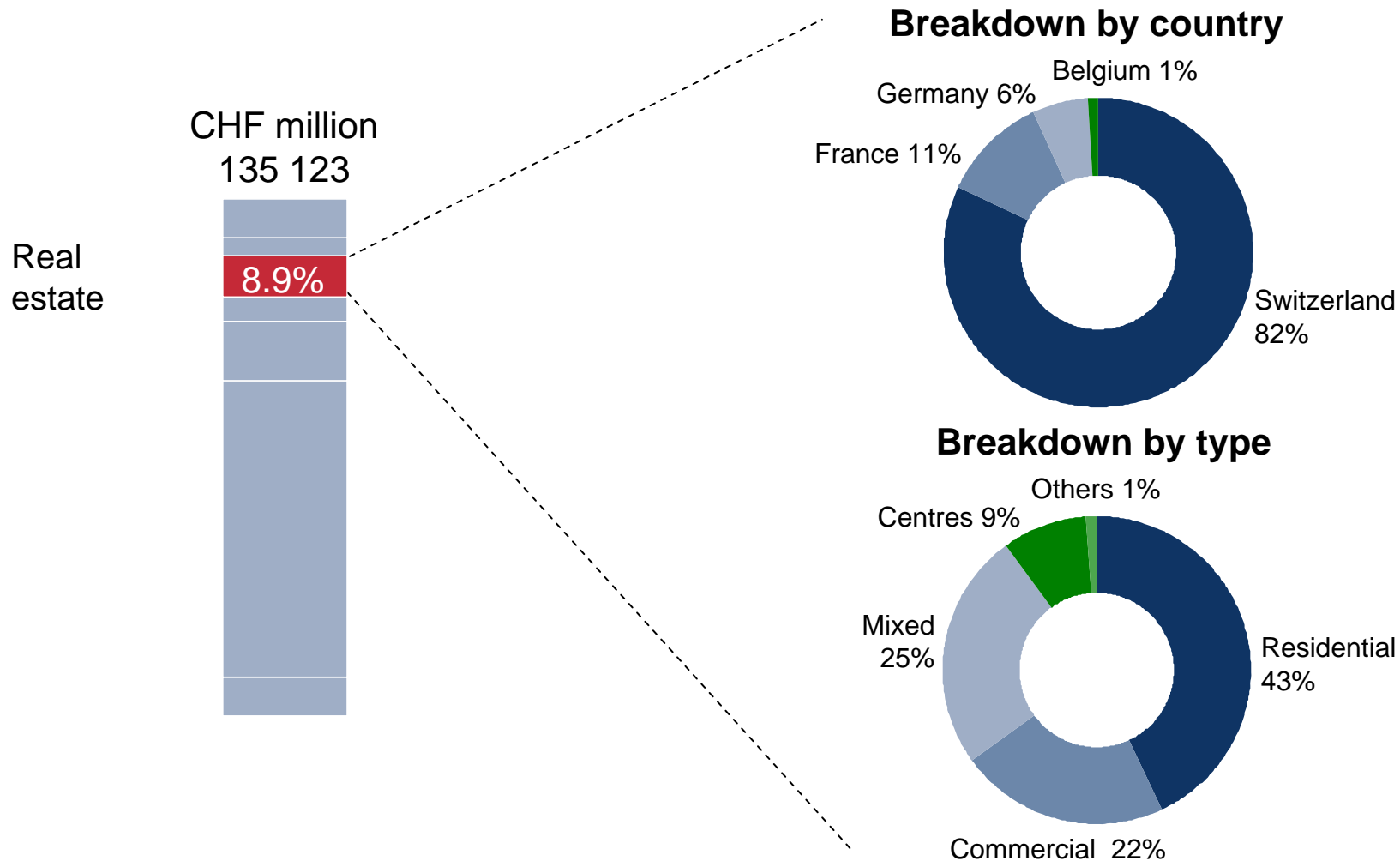
Loan and mortgage portfolio

Insurance portfolio (IFRS basis), excl. ERISA



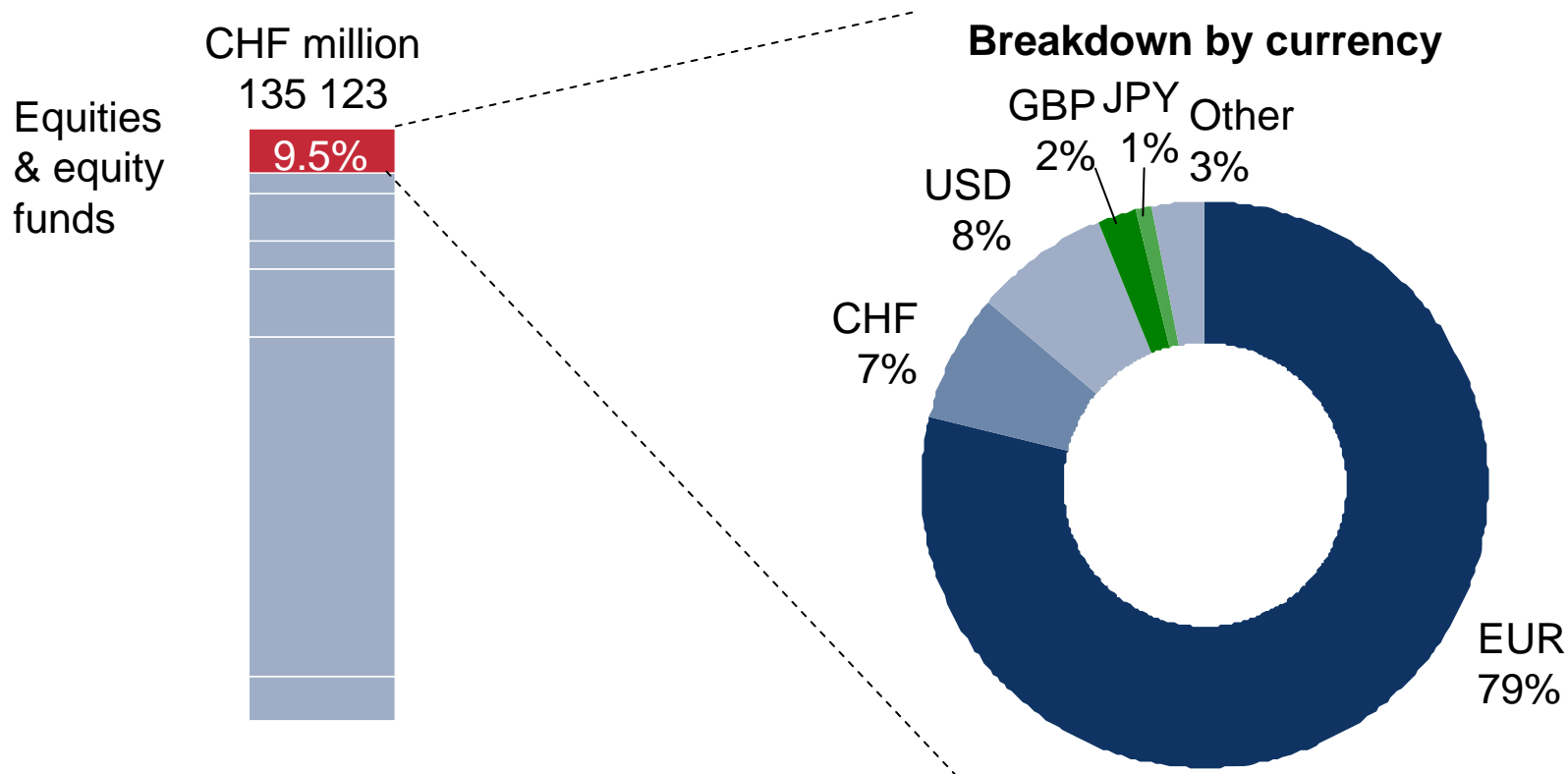
Real estate portfolio

Insurance portfolio (IFRS basis), excl. ERISA



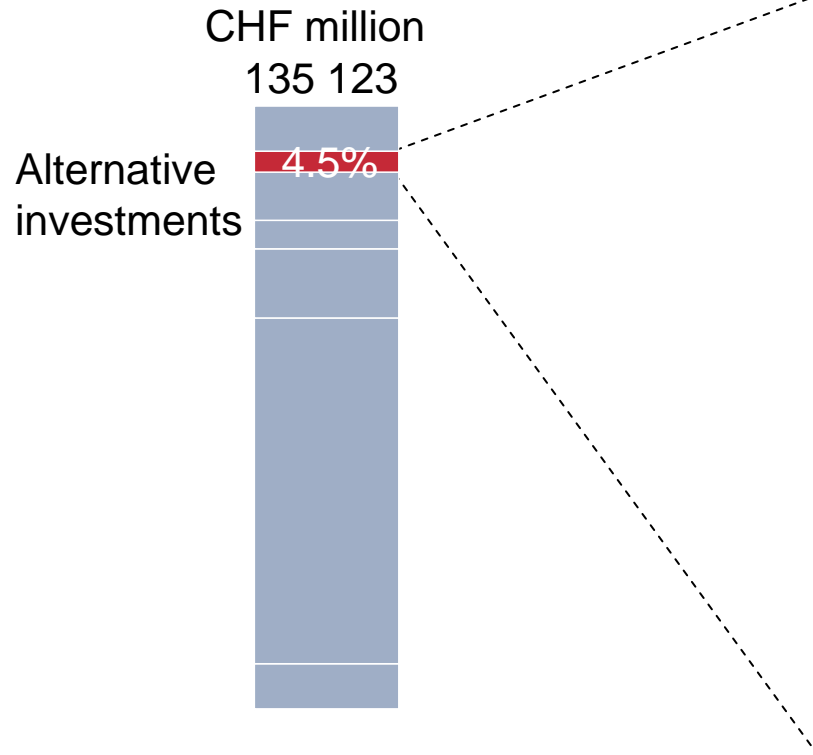
Equity portfolio: Currency exposure

Insurance portfolio (IFRS basis), excl. ERISA

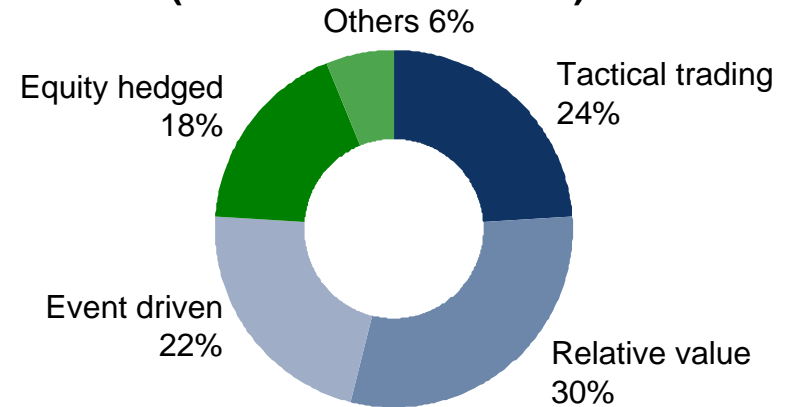


Alternative investment portfolio

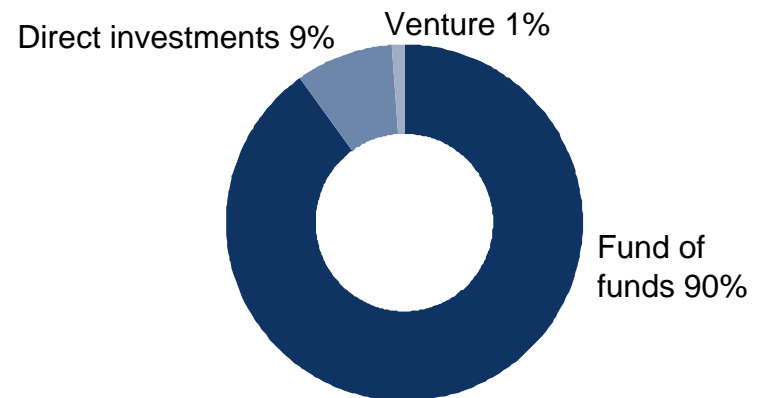
Insurance portfolio (IFRS basis), excl. ERISA



Hedge funds: CHF 5.9 billion
(2006: CHF 5.0 billion)

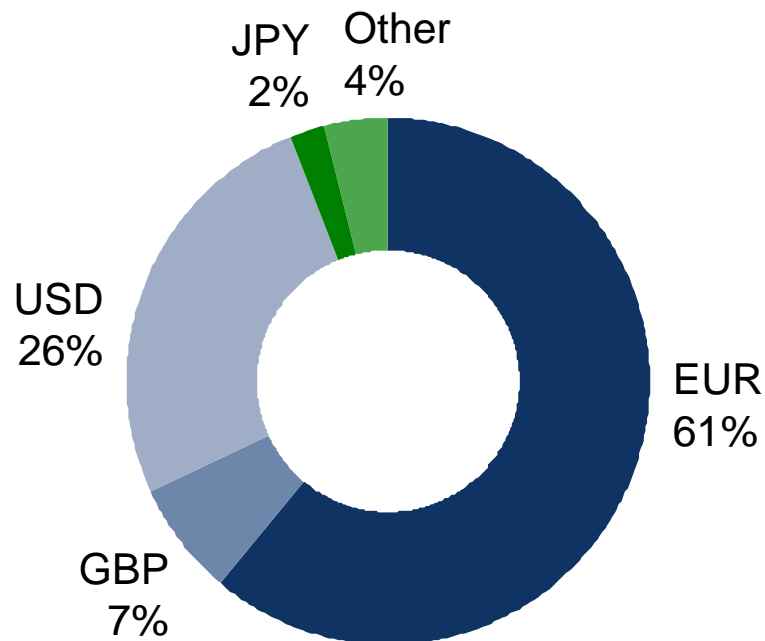


Private equity: CHF 157 million
(2006: CHF 129 million)



Currency exposure

Net 7.5% of insurance portfolio



Gross currency exposure

CHF 38 007 million

Hedged currency exposure

CHF 27 923 million

Net currency exposure

CHF 10 084 million

Forex and interest rates

Foreign currency exchange rates

	30.06.07	31.12.06	30.06.06	1.1.-30.06.07	1.1.-30.06.06
EUR	1.6570	1.6078	1.5670	1.6320	1.5616
GBP	2.4621	2.3949	2.2620	2.4187	2.2729
USD	1.2285	1.2207	1.2330	1.2281	1.2712

Interest rates¹⁾

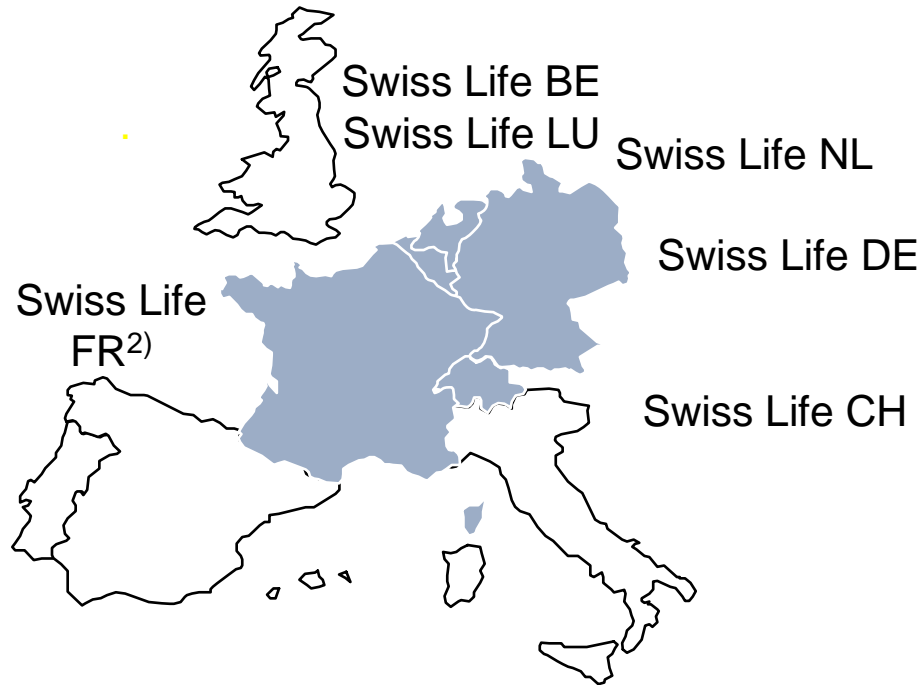
	30.06.07	31.12.06	30.06.06
CHF	3.226	2.521	2.830
EUR	4.574	3.948	4.071
USD	5.024	4.702	5.136
GBP	5.463	4.741	4.710

Supplementary information



1. Profit and loss
2. Balance sheet
- 3. Embedded value**
4. Banca del Gottardo
5. Contact details

Implementation of embedded value at Swiss Life



- ANAV and PVFP have been calculated for more than 95% of the mathematical reserves
- For other life insurance entities only the NAV has been included
- The banking¹⁾ and non-life insurance businesses have also been included at book value
- PwC has reviewed the embedded value calculations

1) Including Banca del Gottardo at book value of CHF 1240 million

2) Swiss Life France consists of Swiss Life Assurance Retraite, Swiss Life Assurances et Patrimoine, Swiss Life Prévoyance et Santé, ERISA

Key assumptions for embedded value calculation

	30.06.2007		31.12.2006	
	CH	EU	CH	EU
Risk discount rate	7.0%	8.0%	7.0%	8.0%
Equity return	6.5%	7.5%	6.5%	7.5%
Bond return	3.5%	4.8%	2.8%	4.2%
Real estate return	4.5%	5.9%	4.4%	5.1%
Alternatives return	6.5%	7.0%	6.5%	7.0%
Weighted new money rate	4.1%	5.0%	3.6%	4.4%

- Weighted new money return based on asset allocation
- Weighted returns are higher due to increase in assumed future investment returns
- Long-term bond return from 2012 onwards

CH	3.7%
EU	5.0%
- Long-term weighted new money rate from 2012 onwards

CH	4.3%
EU	5.1%
- No uplift for foreign currency bonds assumed

10-year government bond:	30.06.2007	31.12.2006
Switzerland (CHF)	3.3%	2.5%
Europe (EUR)	4.6%	4.0%

Asset allocation assumptions by region

	30.06.2007		31.12.2006	
	CH	EU	CH	EU
Cash and cash equivalents	2%	1%	1%	1%
Bonds and loans	62%	81%	63%	82%
Mortgages	7%	2%	7%	2%
Real estate	13%	6%	15%	5%
Equities	8%	8%	7%	7%
Participations	0%	0%	0%	0%
Alternative investments	8%	2%	7%	3%

Sensitivities of embedded value



CHF million (statutory basis)

	Switzerland	International	Total
EmbV HY 2007 (base case)	4 828	5 154	12 479¹⁾
Δ Bond returns +100 bps	162	233	395
Δ Bond returns -100 bps	-159	-247	-406
Δ Investment returns +100 bps	530	437	967
Δ Investment returns -100 bps	-600	-460	-1060
Δ Risk discount rate -100 bps	345	315	660
Δ Cost of holding capital at 150 % ²⁾	-602	-361	-963

1) Includes ANAV of Swiss Life Holding and overhead of CHF 2 497 million

2) Currently 100% cost of capital

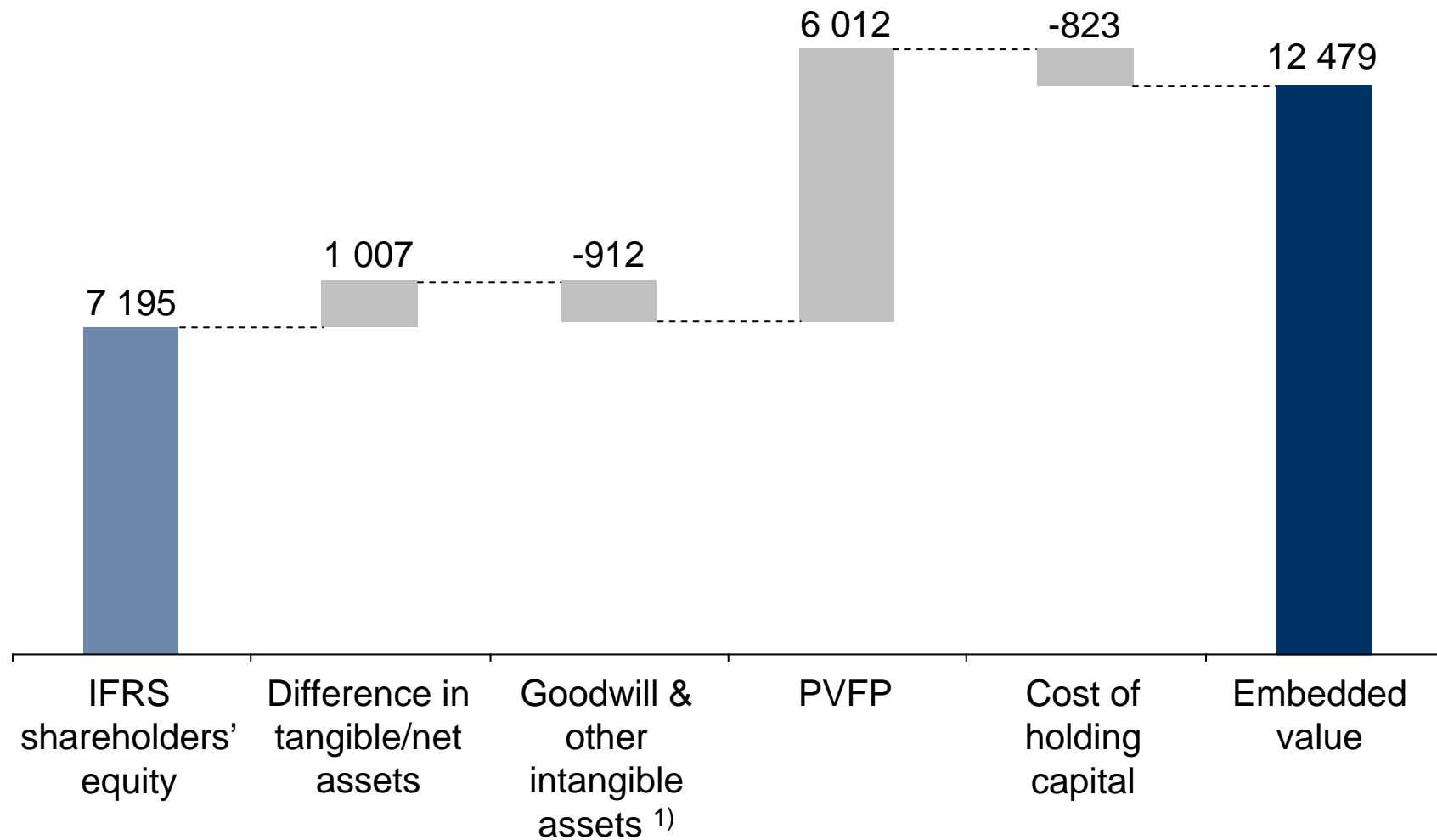
Sensitivities of value of new business

CHF million (statutory basis)

	Total
VnB HY 2007 (base case)	83
Δ Bond return +100 bps	19
Δ Investment returns +100 bps	31
Δ Risk discount rate -100 bps	18
Δ Administration costs -10 %	11
Δ Acquisition costs -10 %	10

IFRS equity to embedded value bridge

CHF million



1) Including goodwill CHF 841 million, customer relationships CHF 37 million and other intangible assets CHF 34 million

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Banca del Gottardo: Key financials (I)

CHF million (statutory basis)

	HY 2007	HY 2006	Change
Results from interest activities	65	62	+5%
Results from commission and service fee activities	135	128	+5%
Results from trading operations	40	37	+9%
Other ordinary result	3	5	-30%
Net revenues	243	232	+5%
Personnel expense	-92	-88	+4%
Other operating expense	-64	-73	-12%
Total operating expense	-156	-161	-3%
Gross profit	87	71	22%
Depreciation, provisions and losses	-22	-59	-63%
Extraordinary result	43	100	-57%
Taxes	-22	-29	-23%
Net profit	85 ¹⁾	83	3%
Cost/income ratio ²⁾	65%	69%	-4 ppts
Net new money	-875	399	n.m.
PB revenue margin (parent company)	1.07%	1.10%	-3 bpts

1) Due to rounding difference

2) Excluding extraordinary effects cost/income ratio was 63% in HY 2007 and 66% in HY 2006

Banca del Gottardo: Key financials (II)

CHF million (statutory basis)

	30.6.2007	31.12.2006	Change
Return on equity ¹⁾	19%	10%	90%
Risk-weighted assets	6 411	5 946	8%
BIS ratio (Tier 1)	12%	13%	-1 ppts
Assets under management	36 318	35 828	1%
Assets under control ²⁾	104 092	89 307	17%
Shareholders' equity	878	943	-7%
Excess capital ³⁾	267	301	-11%
FTEs	1 007	988	2%

1) Annualised ROE excluding extraordinary effects was 12.7% in HY 2007 and 9.7% in FY 2006

2) Includes assets under custody of CHF 67.8 billion as of HY 2007 and CHF 53.5 billion as of FY 2006

3) Under Swiss Federal Law on Banks

Cautionary statement regarding forward-looking information



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Supplementary information



1. Profit and loss
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5. Contact details

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